

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. NO.: 4220-03  
BILL NO.: HCS for HB 1962, 1943, 1425, and 1419  
SUBJECT: Establishes a Minimum Foster Care Reimbursement Rate  
TYPE: Original  
DATE: March 20, 2000

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2001</b>	<b>FY 2002</b>	<b>FY 2003</b>
General Revenue*	\$0	(\$9,301,555)	(\$9,301,555)
CASA	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>All</u> State Funds*</b>	<b>\$0</b>	<b>(\$9,301,555)</b>	<b>(\$9,301,555)</b>

**\*Does not include transfer to CASA Fund that is subject to appropriation.**

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2001</b>	<b>FY 2002</b>	<b>FY 2003</b>
Federal	\$0	(\$3,617,271)	(\$3,617,271)
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>(\$3,617,271)</b>	<b>(\$3,617,271)</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2001</b>	<b>FY 2002</b>	<b>FY 2003</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 6 pages.

## FISCAL ANALYSIS

### ASSUMPTION

#### House Bill 1962

Officials from the **Department of Social Services - Division of Family Services (DFS)** that current foster care rates are \$316 per month per child and \$216 per month per child for adoption subsidies. According to the United States Department of Agriculture, foster care reimbursement and adoption subsidy rates are expected to be \$457.94 per month per child in FY2004. The DFS provided an extensive calculation of the additional costs.

In summary, the anticipated additional fiscal impact of this proposal, by year, would be:

FY 01	\$0
FY 02	\$12,918,826
FY 03	\$12,918,826
FY 04	\$12,918,826

The costs were split between state and federal funds at a rate of 72% state and 28% federal.

#### House Bill 1943

Officials from the **Department of Social Services** stated the increased number of hotline reports is expected to be minimal and will be handled by existing Children's Services staff.

Officials from the **Department of Corrections** have not responded to Oversight's request for fiscal information nor have they provided a ten-year prison impact statement as required by Section 217.022 RSMo. However, **Oversight** assumes the proposal should not require significant additional personnel or resources.

Officials from the **St. Louis Metropolitan Police Department** and **Kansas City Police Department** did not respond to our request for fiscal impact.

**Oversight** assumes the local police and sheriff departments may have to provide some additional training related to this proposal; however, Oversight assumes these duties could be absorbed with existing resources.

#### House Bill 1425

Officials of the **Department of Social Services** assume no fiscal impact.

ASSUMPTION (continued)

Officials of the **Department of Revenue** stated that this proposal does not specify the kind of taxing authority and a statute creating a tax is not included in the proposed legislation, therefore, the officials assume no fiscal or administrative impact to the Department of Revenue.

Officials of the **Department of the Health** assume no fiscal impact.

**Oversight** assumes this proposal is permissive and would have no state fiscal impact. Counties would have no fiscal impact without action by their governing body.

House Bill 1419

Officials from the **State Courts Administrator (CTS)** state the proposed legislation would create a fund for receiving and disbursing funds for support of CASA (court appointed special advocates) programs in the state. They also state there is no defined revenue stream, just sources authorized. The CTS assumes that since the income into the fund cannot be determined, they assume income and expenses are unknown.

Officials from the **State Treasurer's Office** and the **Lottery Commission** assume this proposal will have no fiscal impact on their respective agencies.

**Oversight** assumes the entire amount of funds transferred to the Missouri CASA Fund will be spent on programs. Oversight also assumes the amount appropriated to the CASA Fund by the General Assembly is unknown at this time.

Officials from the **Department of Corrections**, the **St. Louis Metropolitan Police Department**, the **Kansas City Police Department**, **Callaway County**, **Boone County**, **Monroe County**, **Audrain County**, **Franklin County**, **Gasconade County**, **Jasper County**, **Taney County**, **Dunklin County**, **Atchison County**, **Worth County**, **Cass County**, **Johnson County**, **Lafayette County**, and **Jackson County** did not respond to our fiscal impact request.

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
<b>GENERAL REVENUE FUND</b>			
Loss - Transfer to CASA Fund*	(Unknown)	(Unknown)	(Unknown)

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<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
<u>Costs - Division of Family Services</u>			
Increased Foster Care Reimbursements	<u>\$0</u>	<u>(\$9,301,555)</u>	<u>(\$9,301,555)</u>
<b>ESTIMATED EFFECT ON GENERAL REVENUE FUND</b>	<b><u>\$0</u></b>	<b><u>(\$9,301,555)</u></b>	<b><u>(\$9,301,555)</u></b>

**\*Subject to appropriation.**

#### **MISSOURI CASA FUND**

<u>Income - Courts Administrator</u>			
Transfer from General Revenue Fund	Unknown	Unknown	Unknown
<u>Costs - Courts Administrator</u>			
Expenditures on CASA programs	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
<b>ESTIMATED NET EFFECT ON MISSOURI CASA FUND</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

#### **FEDERAL FUNDS**

<u>Costs - Division of Family Services</u>			
Increased Foster Care Reimbursements	<u>\$0</u>	<u>(\$3,617,271)</u>	<u>(\$3,617,271)</u>
<b>ESTIMATED EFFECT ON FEDERAL FUNDS</b>	<b><u>\$0</u></b>	<b><u>(\$3,617,271)</u></b>	<b><u>(\$3,617,271)</u></b>

<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal. However, small businesses in a county that would establish a Children's Service Council would have an additional tax to pay or possibly administrative duties if the tax were a sales tax.

DESCRIPTION

This proposal provides for a minimum foster care reimbursement rate to equal or exceed the foster care rates established by the United States Department of Agriculture. This proposal also provides for a subsidy rate for children placed in homes to equal or exceed the adoption rates established by the United States Department of Agriculture. The cost would be increased over the course of three years starting in FY 02.

This proposal adds jail and detention center personnel to the list of mandatory child abuse reporters.

This bill authorizes counties to establish children's services councils, which will assess children's needs and provide grants for services to address those needs.

This proposed legislation establishes the Missouri CASA Fund in the state treasury, to be funded by appropriations from the General Assembly as well as gifts, contributions, grants, bequests and other aid. The State Courts Administrator will administer and disburse the funds.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

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SOURCES OF INFORMATION

Department of Social Services  
Department of Social Services - Division of Family Services  
Department of Revenue  
Department of Health  
Lottery Commission  
Office of the State Courts Administrator  
Office of the State Treasurer

**NOT RESPONDING: Department of Corrections, St. Louis Metropolitan Police Department, Kansas City Police Department, Callaway County, Boone County, Monroe County, Audrain County, Franklin County, Gasconade County, Jasper County, Taney County, Dunklin County, Atchison County, Worth County, Cass County, Johnson County, Lafayette County, Jackson County**



Jeanne Jarrett, CPA  
Director  
March 20, 2000